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This is the author's version of a work that was submitted/accepted for publication in the following source:

Zulaikha, Ellya & Brereton, Margot (2011) Innovation strategies for developing the traditional souvenir craft industry. In *The First International Postgraduate Conference on Engineering, Designing and Developing the Built Environment for Sustainable Wellbeing*, 27-29 April 2011, Queensland University of Technology, Brisbane, Qld.

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INNOVATION STRATEGIES FOR DEVELOPING THE TRADITIONAL SOUVENIR CRAFT INDUSTRY

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pp. 53-58

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Abstract: This paper describes the concept of innovation strategies for traditional souvenir craft industries. There are many traditional souvenir craft industries in Indonesia, and they have to compete in today's global markets. The craftsmanship and uniqueness of traditional crafts must be developed to attract a larger market. This competition is not easy for craftspeople, neither financially nor culturally. The authors propose some innovation strategies to facilitate craftspeople in generating ideas based on their traditional value, to ensure their sustainability in global context. However, even though there are a number of studies about the craft industry and souvenirs, there is little research focused on the souvenir product development process, especially in the traditional craft industry. Considering that souvenirs are products for pleasure which require hedonic value more than utilitarian value, the offered innovation strategy refers to the strategy applied in existing industries that produce hedonic products. Innovation strategy in the fashion industry is selected as a reference, which is discussed by considering the context of the traditional souvenir craft industry. This investigation will support further research about knowledge sharing systems to enable collaborative learning within traditional craftspeople.

Key words: Innovation strategies, Traditional, Souvenir, Craft.

1 INTRODUCTION

The Indonesian Government gives special attention to the development of craft industry in Indonesia. As stated clearly in the government regulation National Industry Policy No. 28 Year 2008 (Yudhoyono, 2008), the Indonesian craft industry is one of the industries that is prioritized in the Operational Strategy of the Indonesian National Industrial Development. The priority is also given to software industry, fashion, multimedia and ten other creative industry sectors. For the implementation of that strategy, the government established “*Dewan Kerajinan Nasional*” [the National Crafts Council] (see <http://id.indonesian-craft.com/>), organized international and regional exhibitions to facilitate marketing, and organized advisory programs in cooperation with other institutions (Tambunan, 2005; Weijland, 1999).

Indonesian craft industries contributed 18.38% of the total contribution of the creative industry sectors. However, it is unclear whether this significant contribution was made by craft industries in urban areas or in rural areas. The craft industries of Indonesia are located in both urban and rural areas. 20% of these are located in urban areas, while 80% are in rural areas (Yudoseputro, 1983). Urban craft industries usually produce modern craft, while rural craft industries usually produce traditional craft.

The type of products made by traditional craft industries in rural areas range from products of daily use to souvenirs. Craft industries that produce souvenir products have a greater opportunity to attract a local market, or even a global market through the tourism industry. The uniqueness of souvenir crafts with local material, traditional processes, or particular social value is an asset to compete in the market.

One of the authors was involved in advisory programs over the last ten years with traditional craft industries in rural areas and found that the numbers of traditional rural craft industries tend to decrease. This situation is in contrast with urban craft industry producing modern craft, which grows extensively. The outstanding craftsmanship skill of traditional craftspeople is insufficient to compete with other innovative products in a competitive global market.

The Indonesian government is aware of the vulnerability of the traditional craft industries. The government has provided advisory programs such as clustering programs and training involving professional consultants or education institutions (Weijland, 1999).

In the previous advisory programs, craftspeople were trained in design issues, techniques to explore creativity, and the operation of design software. However, the programs were not based on innovation strategies considering the context and needs of traditional craftspeople, and gave less significant support for the sustainability.

So far, literatures on innovation strategy for traditional craft industry are rarely. Therefore, we address this gap and investigate the possibilities and challenges of innovation strategies for the traditional souvenir craft industry.

This paper is organized as follows. In the next section, the context of the traditional souvenir craft industry will be discussed. Furthermore, we examine appropriate innovation strategy to develop the souvenir industry regarding the traditional craft souvenir industry context. Then, we discuss innovation strategies within the industries.

2 UNDERSTANDING CONTEXT OF TRADITIONAL SOUVENIR CRAFT INDUSTRY

In this section we review literature on the traditional industry, craft industry and souvenirs, in order to ensure comprehensive understanding about the character and tendency of the industries before proposing innovation strategies for them.

2.1 Traditional Industry

Most Indonesian craft industries located in rural areas are traditional, which refers to considerations about the existence, scale, type of organization and the tools. Traditional industry has its roots in the past (Matsumoto, 2006; Roy, 1999). Craftspeople inherited jobs from their predecessors, who are their parents, grandparents, great grandparents and so on. This traditional craft industry probably has existed for decades, even hundreds of years.

The scale of traditional industries, usually small scale industries operated by a small number of employees (Matsumoto, 2006) is based on family or neighbourhood relationships. Traditional industries use non-corporate organization (Roy, 1999), not based on professional management.

The tools used in traditional industry usually have artisanal origins and do not use advance technology (Roy, 1999). They only use human power or minimum consumption of fuel or electricity.

By the rapid development of information technology in the last decade, the coverage area provided by many communication providers now can reach rural areas in Indonesia. This facility smooths the transaction and negotiation process between craftspeople and their relatives, such as buyers, capital or material providers, government and other institutions.

Nevertheless, the application of Information and Communication Technology (ICT) for more intensive work such as cooperation or collaboration projects with rural people need initial investigation. Previous collaboration projects showed that the application of ICT must be appropriate to the knowledge, social and economic systems of rural people. Otherwise, negative consequences of relationships caused by misunderstanding will occur (Hargreaves & Robertson, 2009).

2.2 Craft Industry

There is a common mistake in assisting the development of craft industry because the character of the craft industry is ignored (Metcalf, 1993). Craft industry is frequently considered to be similar to art work or manufacturing industry. However, the difference of craft to art or manufacturing is in the aesthetics degree (Becker, 1978; Chartrand, 1989; Metcalf, 1993), the production process (Chartrand, 1989; Danto, 1964; Fillis, 2004; Leeke, 1994; Metcalf, 1993), the use (Becker, 1978; Metcalf, 1993), the people involved in it (Dormer, 1997) and the history (Dean as cited in Fillis, 2008, p. 136; Metcalf, 1993; Neapolitan, 1986).

In the latter part of the nineteenth century, particularly since the art and craft movement, the word *craft* was accepted in aesthetical terms (Greenhalgh as cited in Fillis, 2008, p. 135). Before that, *craft* referred to political acumen and shrewdness. Nevertheless, debates continued and a definition of the craft industry was considered, especially in making a distinction between craft and art.

Both craft and art have aesthetical value, although the degree of aesthetic value is different. Craft is usually more decorative, more richly visual, more respectful of material and process, but less cognizant with the history of art as well as art issues (Metcalf, 1993). However, Becker identified that craftsmen are distinguished into artist-craftsmen and ordinary craftsmen. Artist-craftsmen consider beauty as a criterion of craft products. Moreover, they usually have ambitious goals and ideology, although their work is considered *minor art* in relation to the art world. On the contrary, ordinary craftsman do not take the criterion of beauty as seriously (Becker, 1978). They focus on producing products based on utilitarian value.

The difference between artists, artist-craftsmen and ordinary craftsmen is in their concepts of work. Artists emphasize expressiveness or effectiveness of objects as in fostering aesthetical contemplation; artist-craftsmen emphasize beauty along with considerations of usefulness, while ordinary craftsmen do not emphasize beauty but respond to customer demand.

The industrial revolution brought about a new era for craft production. After the revolution, manufacturers took over production of some craft products that were previously made by hand. In some cases, it is difficult to distinguish whether some products were made by manufactures or by hand. Advanced manufacturing technology caused almost all handmade products to be produced by manufacturers. This provoked debates about whether some industries can be categorized as craft industries.

Under these circumstances, some scholars argue that craft must be made mainly by hand (Chartrand, 1989; Danto, 1964; Fillis, 2008;

Leeke, 1994; Metcalf, 1993). The degree of hand-made can vary as well as the use of machinery within the process, but there must be some features made by hand. Cooper & Lybrand (1994) suggested that the craft industry is differentiated into two types: *handicraft industry* and *craft based industry* (Cooper & Lybrand as cited in Fillis, 2008, p. 137). Neapolitan (1986) tried a similar approach which categorized craft into two types; industrial crafts and handicraft (Fillis, 2008). The products of the handicraft industry are made mainly by hand, while the products of the *craft based industry* or *industrial craft* are made mainly by machine in the manufacturing industry.

Regardless of the arguments about the degree of handiwork within the production process of craft, scholars agree that craft is determined by the needs of craftsmanship to make it. Becker described craftsmanship as a *virtuoso skill* (Becker, 1978). A *virtuoso skill* describes craftsmanship which is usually quite difficult, as many years are required to master the physical skills and mental disciplines of a first-class practitioner. Thus, to be categorized as craft, a product must be made by special craftsmanship.

The other criterion to define craft is utilisation. Becker (1978) stated that craft products must meet someone's practical need. Whilst Metcalf (1993) contended that craft is defined by use. Becker and Metcalf differentiate craft from art in this matter. Craft products emphasize usefulness, while art products emphasize expressiveness. Craftspeople must make an object while artists might freely choose any form for their artwork. Artists can ignore usefulness, since art is constituted by the authority of the artist.

The number of people involved in making a product is often a differentiator. Craft and art product usually made by one person from design to production, while manufactured products involve many people for each stage of production (Goody, Neil, & Paul, 2001). Craft production usually involves a single person completing the entire process, from conceptualization to fabrication (Fillis, 2008).

The relationship with the past differentiates contemporary craft and traditional craft. Contemporary craft usually has no reference to the past whereas traditional craft looks to the past for techniques, visual cues, meanings, and ideas (Metcalf, 1993).

Some craft industries, both contemporary and traditional craft, tend to follow modernist assertions by the insistence on a rupture with the past, the celebration of newness, rejection of the familiarity and the stress on originality. Metcalf suggests that craft must avoid this imitation of modernism (Metcalf, 1993). Traditional craft industries offer rich possibilities if only they can be reshaped to be relevant to social conditions today. Traditional craft must be improved by drawing upon its tradition, since its tradition is its strength.

Traditional craftspeople often followed particular styles such as modernism to overcome their *art-guilt*. They adopted modern art as craft style for the sake of credibility. Sometimes, during assistance programs, craftspeople were given insight about latest art issues, without considering local skill and fine craftsmanship. Metcalf pointed out this attitude as *cultural cringe*, an implicit sense of inferiority about the traditional roles of craft (Metcalf, 1993).

Craftspeople should be helped to overcome their art-guilt, look respectfully to art decoration and study its social function to recover their heritage. The craftspeople should be assisted to understand ornaments as a play of meaning, not a veneer of style, so they do not have to follow any unnecessary mainstream styles to maintain their authenticity (Metcalf, 1993).

In conclusion, craft industry has its own aesthetical value, depending on the materials, the skill of workers and its historical value. As the distinguished characteristic of traditional craft is hand-made production, the innovation strategy should reflect on this special craftsmanship. Finally, craft industries tend to consider utilitarian value rather than expressive aesthetical value in developing their products.

2.3 Souvenir

This paper discusses the theory of souvenir to gain comprehensive understanding of the dynamics of souvenir, the opportunity, and the challenges, as an input to construct innovation strategy to improve wellbeing and sustainability in the souvenir craft industry.

There has been a considerable volume of research conducted on the topic of souvenir (Wilkins, 2010). However, little is known about how the creative process developed within souvenir craft industry.

2.3.1 Definition of souvenir

Gordon (1986) defines a souvenir as something which concretizes an intangible state into a tangible object. Its physical presence leads the viewer to capture or freeze any non- or extra-ordinary experiences in the past (Gordon, 1986). As a concrete reminder, a 'souvenir' is similar to a 'memento'. However, a souvenir is commercially produced whereas a memento is a non-purchased object that has a personal meaning (Gordon, 1986).

The term 'souvenir' is usually found in the tourism field because those who usually buy souvenirs are tourists. But, Gordon (1986) provided further understanding about 'tourism' in the context of souvenir. Although tourism refers to a real journey from one place to another, Gordon (1986) also identified it as an intangible journey from one status to another. He explained that souvenirs function as gifts and signs. Souvenirs as gifts refer to someone returning to the original place, while souvenirs as signs transform or sacralise objects into symbols. Wilkins (2010) suggested that souvenir is gift, memory and evidence. A souvenir is bought as a gift for the buyer him/herself or others, such as relatives, colleagues and friends. As a memory, Wilkins (2010) suggested similarly to Gordon (1986) that souvenir is for reminding special occasions, while souvenir as evidence is usually used in communication as approval that someone has achieved particular experience.

2.3.2 Motivation of purchasing souvenir

Many scholars agreed that souvenirs are mainly bought to remind about a particular experience (Gordon, 1986; Littrell et al., 1994; Wilkins, 2010). However, souvenir is not only associated to physical journey, but also memorable moments such as birthdays, religious days, symbols of achievement, and many more. Therefore souvenir industries have greater market opportunity instead of only focusing on the tourism industry.

2.3.3 Types of souvenirs

Gordon (1986) classified souvenirs into five types. (i) Pictorial images such as postcards and photographs; (ii) Piece-of-the-rock souvenirs, which are natural materials, or objects retrieved from the natural environment; (iii) Symbolic shorthand souvenirs such as miniature of landmark; (iv) Objects which basically have no meaning but have markers on them, such as T-shirts or hats marked with name of the place or special event; (v) Local product souvenir, which includes a variety of objects; for example indigenous food, local clothing or local craft (Gordon, 1986). Local craft produced by indigenous people is appreciated both for its function and associated value.

Considering the producer, Swanson (2004) identified that souvenirs may be mass-produced items or handmade items. Mass-

produced souvenirs produced by manufacturers are usually lower price and of more consistent quality, while handmade products made by craftspeople are more expensive and less consistent, but have greater opportunity to be customizable and unique. The types of products range from clothes, jewellery, books, arts and crafts as well as antiques to collectible items.

It is apparent that there are great varieties of souvenir. Overall, souvenir is any products that have a connection with the non- or extra ordinary experience communicated through tangible object.

2.3.4 Souvenir Attribute

Swanson (2004) suggested that a typical souvenir is a 'curious' product. Curious in this context refers to small, decorative objects treasured for novelty or curiosity value. Everything that has curiosity value becomes souvenir. However, not all souvenirs in today's market provoke curiosity (Swanson, 2004). Furthermore, souvenirs are purchased to differentiate the self or integrate with others, to bolster feelings of confidence, express creativity and enhance aesthetic pleasure (Littrell, 1990).

Littrell and colleagues (1994) reported that buyers select souvenir by design, superior quality workmanship, and attractive colors. Souvenirs have aesthetic value and recognized area artisans who signed their works are more likely to be bought. The degree of possibility to buy increases when a buyer observes artisans creating their work (Littrell et al., 1994).

Littrell and colleagues (1994) stated that some tourists were likely to be attracted to souvenirs based on nature, country and traditional themes. A souvenir should symbolize the place visited. In accordance with Littrell et al. (1994), Goeldner, Ritchie and McIntosh (as cited in Swanson, 2004, p. 365) also suggested that the relationship of souvenir to the local area and authenticity were the most important product attributes. Littrell, Anderson and Brown (1993) introduced selection factors to determine authenticity in craft souvenirs. Authenticity, according to the tourists studied, was defined as a craft's uniqueness, workmanship, aesthetics and use, cultural and historical integrity, and genuineness. Littrell et al. (1993) offered a concept of authenticity that considers tourists needs, styles and careers. Authenticity is supposed to be a distinct feature that cannot be found in consumer's daily lives. Littrell et al. (1993) agreed with Cohen (1988) that the degree of authenticity is negotiable and it will be relative to the people and places. Spooner (as cited in Littrell et al., 1993, p. 199) believed that self-conceptual uniqueness is the main key to constructing feelings about authentic products. The concept of authentic is an element of distinction and a rejection of the commonplace rather than relationship to the past (Spooner as cited in Littrell et al., 1994, p. 199).

Moreover, the need for authenticity also depends on the tourist style. Cohen (1988) implies that the existential and experimental tourists seem to need less authenticity, while recreational and diversionary tourists are more demanding of authenticity. Authenticity is something constructed rather than having its own meaning.

Souvenir purchase intentions are significantly related to hedonic values, world-mindedness, recreational and ethnic tourism, and attitude toward souvenirs (Anderson & Littrell, 1996; Kim & Littrell, 1999). Hedonic value is something that increases arousal, heightened involvement, perceived freedom, fantasy fulfilment and escapism (Bloch & Richins, 1983; Hirschman as cited in Babin, Darden, & Griffin, 1994, p. 646). In the souvenir context, the needs of authenticity, aesthetical value, novelty, curiosity, workmanship quality and symbolization are hedonic values.

2.3.5 Souvenir Hedonic Value

Hedonic value is more subjective and personal than utilitarian value, and results more from fun and playfulness than from task completion (Holbrook and Hirschman as cited in Babin et al., 1994, p. 646). The hedonic value of a product also can increase arousal, heighten involvement, perceived freedom, fantasy fulfilment, and escapism. Recreational shoppers, who go shopping as a goal rather than shopping with a goal, likely expect high levels of hedonic value (Markin and colleagues as cited in Babin et al., 1994, p. 646). Impulse purchases result more from a need to purchase than a need for a product. Hedonic value is related to sensory involvement and excitement among consumers.

It is clear that souvenirs are a part of hedonic products. Therefore, any innovation strategies developed for the souvenir industry must consider its hedonic value. However, little is known about how “stylistic innovations” are developed or what product development practices are used in the souvenir industry.

In addition to hedonic value, souvenir must have utilitarian value. Littrell et al. (1994) stated that souvenirs should fulfil ease of cleaning and care requirements as well as functional qualities of item. When Swanson (2004) identified that souvenir is small, essentially this refers to the need of being easy to carry. Furthermore, international travellers want to buy souvenirs that are relatively inexpensive, understandable, cleanable and usable upon returning home. Also, air travellers consider size restrictions, fragility and manageability as important product attributes (Goeldner, Ritchie and McIntosh as cited in Swanson, 2004, p. 365).

However, souvenir attributes are not the only factors, that can provoke purchasing. Referring to Jansen-Verbeke’s theory about the three dimensions of shopping experience in tourism (Jansen-Verbeke as cited in Swanson, 2004, p. 366) the role of people (tourists) and places (tourist destination) is also significant to rouse souvenir purchasing. The motivation and behavioral patterns of tourists, including activities and expenditures, differentiate the importance degree of souvenir attributes. The conducive place depends on the diversity of shops, environmental qualities, architectural design and uniqueness.

Hedonic products are frequently bought accidentally in situations where the purchaser does not plan to purchase the particular product before. Hedonic shoppers usually need to purchase rather than need a product (Rook as cited in Babin et al., 1994, p. 646). The purchase in this situation is an impulse purchase. Conducive place will improve impulse purchases.

3 INNOVATION STRATEGY IN AESTHETICALLY - BASED INDUSTRIES

The findings from the previous section will be used to explore the appropriate innovation strategy. Due to the lack of literature referencing innovation strategy in craft industries, the author will refer to industry that creates products similar to souvenirs.

Souvenirs elicit more emotions than its utilitarian value. It is analogous to clothing and art products which also offer emotional feelings rather than the function (Khalid, 2006). While the souvenir industry presents product which depend on aesthetical value, so does the clothing industry. The clothing industry is especially based on style, therefore this kind of industry is also identified as a style-based industry.

Style-based industry uses stylistic innovation strategy for the product development process (Tran, 2010). We will review this strategy to observe the possibilities of implementing the strategy in the traditional souvenir craft industry.

3.1 Types of Innovation Strategy

Cappetta, Cillo and Ponti (2006) and Cillo and Verona (as cited in Tran, 2010, p. 133) identified two types of innovation strategies within style-based industries, which are market-driven stylistic innovation and identity-driven stylistic innovation.

Identity-driven strategy depends mainly on super talented designers and brand stylistic identities. Key success factors for this strategy are the stylistic identity and limited high-quality products which can serve high margin benefits for producers (Tran, 2010). The craft souvenir industry can apply identity-driven strategy by producing limited products focusing on revealing local authenticity. Moreover, the souvenir must be made in a high quality work of craftsmanship. Nevertheless, this strategy also contain high-risk considering uncertain market situation.

Market-driven strategy depends on fluctuating market demand. The competition is based on prices and updated fashionable products with frequent collection and large quantities through extensive distribution chains. Customers are price conscious and less loyal to brand (Tran as cited in Tran, 2010, p. 136).

Most craft souvenir industries in Indonesia, even traditional industry, use this strategy. This is understandable considering that not many craft industries consistently develop new products with strong local identities. Most craft industries suffer from stagnancy of product development and they produce similar products over years, so their existing products are easily reproduced by manufacturers. Manufacturers supported by talented designers offer newer products developed from existing design rapidly and consistently. Then, craft industries tend to duplicate best-selling products in the existing market, instead of exploring authenticity or uniqueness. Therefore, this causes difficulties in competing with large manufacturers that can sell “handmade-look like” products in lower prices and more consistent quality. The lack of confidence to use local authenticity as well as insufficient knowledge about design and market causes this situation.

In fashion firms, the selected strategy depends on the market segment (Tran as cited in Tran, 2010, p. 136) and the style orientation (Cillo and Verona as cited in Tran, 2010, p. 136). Considering the context of traditional souvenir craft industries, the selected strategy depends on buyer style (i.e. tourist or other purchaser for special event) and the degree of authenticity.

Tran identified three characteristics of stylistic innovation. The first is symbolic value, the second is inter-subjectively negotiated and co-created construct, and the third is time-driven (Tran, 2010). The first and the second characteristics are similar to souvenir attribute. Souvenirs must have symbolic value and their meaning depends on the type of buyer (such as tourists type or demographics background), but timing consideration in the souvenir industry is less rapid and tight than in the fashion industry.

During the stylistic innovation process in both market-driven or identity driven strategy, there are three main steps: creative sensing, stylistic orchestrating and agile synchronization.

Creative sensing is discovering and interpreting creative opportunities by analytical and intuitive practices. Creative sensing consists of observation, experiences, analytical thinking, gut feeling, instinct, subjective beliefs, inward lights of mind or artistic base. Market-driven firms usually use outward and analytical sub-practices, while identity-driven firms use inward and intuitive sub-practices (Tran, 2010).

The next step of the innovation process is stylistic orchestration. In stylistic orchestration, creative inputs that go through creative sensing are harmonized in a coherent and meaningful stylistic appearance and workable product design. Stylistic orchestration consists of three types of process: transformation, “bricolage” and meaning assignment. Transformation is synthesizing information sources into practical solutions, while “bricolage” is creation by

combining input in an improvising manner such as over-bought material used for another style of design. Meaning assignment is a verbalized product-link message through techniques such as story-telling. In a market-driven firm, story-telling integrates the translation of fashion with stylistic ideas through the co-creation process, while in identity-driven strategy, story-telling is used as starting point for product creation. Identity-driven firm tend to use story-telling, while market-driven firm tend to use bricolage (Tran, 2010).

The last step of the innovation process is agile synchronization. This is a strategic policy to anticipate unpredictable fashion trends as well as uncertain situations. In this step, market-driven firms tend to use reverse-hedging practice and experimentation, while identity driven firms are less reactive to trend. Reverse-hedging practice is purchasing materials and booking suppliers' capacities before designing products and taking orders for selling to the shop. Experimentation is a trial and error practice of using new styles in small quantities. This practice helps firms to shorten the time to the market and ensure that they produce successful styles. During this process, market-driven firms tend to use greater intensity of IT-technology to support knowledge sharing and monitor the dynamics of collection flow.

In the creative sensing step, the traditional souvenir craft industry tends to practice techniques similar to identity-driven firm with inward and intuitive sub-practices, while during the stylistic orchestration step they tend to use "bricolage", combining input in an improvising manner. Although souvenir craft industries do not envisage tight timing as in market-driven fashion industries, they tend to apply experimentation and reverse-hedging. Unlike fashion industries, many traditional souvenir craft industries are material based, so they have abundant stocks of materials. So, instead of using a wide range of material, craft industries tend to use particular material with particular craftsmanship techniques over years.

Another investigation of the product development process in the fashion industry was done by Aage and Belussi (2008). They investigated the governance of fashion sources into product development in some international producers of sport shoes and sport items in Montebelluna, Italy. In those firms, producers have to choose whether they want to follow fashion trend or creating their own-stylistic identity. However, the second choice results in a higher degree of uncertainty. Because of the changing situation in the fashion world, where the democratization of fashion trends replaces top-down approach, today fashion tends to accommodate interaction between consumers and producers. They found that the selection of final prototypes occurs in sequential steps. To find the fittest, which likely brings a higher probability of satisfying client needs, this is evaluated by various actors involved in the firms productive chain, including lead users, designers, retailers, agents, suppliers, etc. The final decision is made only after external actors and numerous trustworthy sources have been analysed. The trial-and-error learning in fashion trends occurred before reaching the final market. All firms in fashion production are connected in networks of creativity, consist of blending competences of the internal and external personnel of fashion designers as well as the linkage to the firms outside the area. Aage and Belussi (2008) suggested that fashion is more of a co-creation process among many parties rather than selected by consumer as well as by super-talented designers.

Similar to Yen Tran, Ma (2008) recognized three phases in the creative process in fashion product development, which are: exploration/clarification, negotiation and argumentation, then evidence of revolution and redesign. During those phases, the communication of designers in the creative process was supported by information technology.

3.2 Collective Works In Creative Process

Despite investigating leading firms, Ada examined collaborative learning and the exchange of social creativity among fashion students using computer supported collaborative learning (CSCL). She found that such technology is significant in building up the supportive and collegial interpersonal relationship to encourage open negotiation and argumentation in creative dialogue. Information and communication technology (ICT) is widely used to support collaboration in design (Chiu, 2002). Nevertheless, the level of success depends on the user's preference. If it is implemented to rural people, it should meet the level of knowledge, social background and economic systems. Otherwise, as explained in the previous section, an inappropriate approach of using ICT can provoke negative consequences of relationships caused by confusion (Hargreaves & Robertson, 2009).

Reviewing the investigations of product development in the fashion design context provided by researchers (Ma, 2008; Tran 2010; Aage & Belussi, 2008) lead to the conclusion that there is tendency for doing creative projects collectively instead of individually. The rapid dynamics of today's market as well as various challenges of design projects cause the need to do design work collectively. The increasing number of people involved in design projects causes the increasing number of ideas produced, therefore resulting in the greater probability of achieving an effective solution (Taylor, 1958; Osborn as cited in Warr & O'Neill, 2005, p. 121). The collective work will produce social creativity. Social creativity through co-creation design can foster the product development process, but it needs a tough knowledge sharing system. However, achieving effective collective work needs an appropriate collaborative system to assure effective knowledge sharing as well as the negotiation process.

4 CONCLUSION

This paper reviewed how aesthetical-based industry develops their products and studied the context of the traditional souvenir craft industry.

Traditional souvenir craft industry can use either market-driven or identity-driven strategy, even a mixture of them. It depends on the market segmentation selected by the industry. The profile of buyers, such as tourist style, can affect different preferences and motivations for buying souvenirs, as well as the demand of authentic degree of the product. In addition, beside considering the product and target market, conducive place also contributes to the purchase decision. As part of a hedonic product, souvenirs offer recreational value in which sometimes the influence of a well-built store atmosphere goes beyond product intrinsic value in encouraging customers to do impulse buying.

Traditional souvenir craft industries are mostly material-based. This constraint means that the craft industry does not have to be reactive to the market trend. Therefore, they can apply identity-driven strategy by producing limited products focusing on revealing local authenticity in high quality work of craftsmanship. The inward and intuitive sub-practices during creative sensing must balance with outward and analytical sub-practices.

Nevertheless, consumer preference as well as the market situation are always changing. Producing new product design constantly is an absolute requirement. Therefore, beside using identity-driven strategy, traditional craft industry must mix it with market-driven strategy. Trial and error experimentation, bricolage and reverse-hedging are some techniques used in market-driven strategy. However, in prominent aesthetical-based industries, those techniques are usually used collectively. Those works are also organized in robust knowledge sharing and networking systems using information technology. Further investigation into how to construct knowledge sharing system, considering the local culture of traditional craftspeople, is needed.

5 ACKNOWLEDGEMENT

This work is supported by a scholarship from the Directorate General for Higher Education (DGHE) on behalf of the Ministry of National Education, Republic of Indonesia.

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